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c 4 Tobacco Tax Amendment Act, 1981

Ontario

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CHAPTER 4

An Act to amend the Tobacco Tax Act

Assented to June 17th, 1981

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of the *Tobacco Tax Act*, being chapter 502 of the Revised Statutes of Ontario, 1980, is amended by adding thereto the following clauses: s. 1,
amended

(ga) "taxable price per cigarette" means the price per cigarette from time to time prescribed by regulation by the Minister as the taxable price per cigarette for such period of time as the Minister may prescribe, and in determining the taxable price per cigarette, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of packages of twenty cigarettes in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per cigarette from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per cigarette;

(gb) "taxable price per gram" of tobacco, other than cigarettes or cigars, means the price per gram of such tobacco from time to time prescribed by regulation by the Minister as the taxable price per gram of such tobacco for such period of time as the Minister may prescribe, and in determining the taxable price per gram, the Minister shall use the median price obtained by him from such periodic sampling as he considers appropriate of the retail prices (excluding the tax imposed by this Act) of 50-gram packages of tobacco, other than cigarettes or cigars, in such part or parts of Ontario as he shall direct a sample to be taken, provided that no change in the taxable price per gram from time to time in effect shall come into force until at least two days after the filing of a regulation prescribing a different taxable price per gram.

s. 2 (1),
re-enacted

- 2.** Subsection 2 (1) of the said Act is repealed and the following substituted therefor:

Tax on
consumers

(1) Every consumer shall pay to Her Majesty in right of Ontario a tax at the rate of,

- (a) 36 per cent of the taxable price per cigarette on every cigarette purchased by him;
- (b) 30 per cent of the taxable price per gram on every gram or part thereof of any tobacco, other than cigarettes or cigars, purchased by him; and
- (c) 45 per cent of the price at retail of every cigar that is purchased by him, provided that where the application of such rate of tax produces a fraction of a cent, the fraction shall be counted as one full cent,

and until a taxable price per cigarette or taxable price per gram is prescribed by regulation by the Minister in accordance with this Act, every consumer shall pay to Her Majesty in right of Ontario a tax at the rate of,

- (d) 1.46 cents on every cigarette purchased by him; and
- (e) 0.7 cents on every gram or part thereof of any tobacco, other than cigarettes or cigars, purchased by him.

Idem

(1a) The tax imposed by this Act shall not be increased or reduced by reason of the fact that the price or consideration paid or given by a consumer for cigarettes or for tobacco, other than cigarettes or cigars, is different from the taxable price per cigarette or from the taxable price per gram, as the case may be.

s. 14 (1) (c),
amended

- 3.** Clause 14 (1) (c) of the said Act is amended by striking out “audit or examination and to answer all questions relating to the audit or examination” in the eighth and ninth lines and inserting in lieu thereof “audit or examination, or the determination by him of the retail price of any tobacco sold, and to answer all questions relating to such audit, examination or determination”.

s. 21 (1),
re-enacted

- 4.** Subsection 21 (1) of the said Act is repealed and the following substituted therefor:

Penalty
for selling
tobacco
with no
wholesale
dealer's
permit

(1) Every person who sells tobacco in Ontario for resale without holding a subsisting wholesale dealer's permit issued under this Act shall, when assessed therefor, pay a penalty computed as follows:

- (a) 1.25 times the amount of tax that would have been exigible on cigarettes so sold by him if such cigarettes had been purchased by a consumer;
- (b) twice the amount of tax that would be exigible on tobacco, other than cigarettes or cigars, so sold by him if such tobacco had been purchased by a consumer; and
- (c) 50 per cent of the price at which each cigar was so sold by him.

5. Subsection 22 (2) of the said Act is amended,

s. 22 (2),
amended

- (a) by inserting after "province" in the seventh line "or territory"; and
- (b) by striking out "federal or provincial law" in the thirteenth line and inserting in lieu thereof "federal, provincial or territorial law or ordinance".

6.—(1) Clauses 28 (1) (e), (f) and (l) of the said Act are repealed.

s. 28 (1)
(e, f, l),
repealed

(2) Subsection 28 (2) of the said Act is repealed and the following substituted therefor:

s. 28 (2),
re-enacted

(2) The Minister may make regulations,

Minister
may make
regulations

- (a) prescribing any form required by this Act or the regulations or that, in his opinion, will assist in the administration of this Act, and prescribing how and by whom any form shall be completed and what information it shall contain;
- (b) prescribing the returns and statements to be made by importers, manufacturers and dealers of tobacco, the information to be given in such returns and statements, and by whom and in what manner they are to be made;
- (c) providing for the extension of time for making returns;
- (d) providing for the refund of the whole or any part of the tax paid under this Act, and prescribing the records and material to be furnished upon any application for a refund;
- (e) prescribing the taxable price per cigarette or taxable price per gram to be in effect from time to time for cigarettes or for tobacco, other than cigarettes or cigars,

and prescribing the period of time for which taxable price per cigarette or taxable price per gram shall be in effect;

- (f) fixing to the nearest hundredth of a cent the tax per cigarette or per gram of tobacco, other than cigarettes or cigars, to be paid under this Act as a result of the prescribing from time to time of a taxable price per cigarette or taxable price per gram in accordance with clause (e).

Commence-
ment

- 7.**—(1) This Act, except sections 1, 2 and 6, comes into force on the day it receives Royal Assent.

Idem

- (2) Sections 1, 2 and 6 shall be deemed to have come into force on the 20th day of May, 1981.

Short title

- 8.** The short title of this Act is the *Tobacco Tax Amendment Act, 1981*.